



CITY COUNCIL AGENDA REPORT

MEETING DATE: MAY 17, 2004

ITEM NUMBER:

SUBJECT: SIX MONTH STATUS REPORT ON SHOPPING CART RETRIEVAL PROGRAM

DATE: MAY 5, 2004

FROM: DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: JAMES GOLFOS, CHIEF OF CODE ENFORCEMENT

FOR FURTHER INFORMATION CONTACT: JAMES GOLFOS (714) 754-4952

RECOMMENDATION:

Staff recommends Council should decide whether to continue with the current program service level of seven days per week, eight hours per day, or direct staff to negotiate a reduced service level and resulting cost reduction.

BACKGROUND:

On June 17, 2003 the City Council adopted Ordinance No. 03-6, and Resolution 03-42, declaring abandoned shopping carts an eyesore and public nuisance. The ordinance requires retailers in the City to maintain an effective cart containment system. Management of the program was delegated to the Code Enforcement Division in the Development Services Department.

Stores within the City were offered one of three options:

1. Contract with an independent retrieval company, which according to the ordinance allows for (10) ten carts per week to be retrieved from the community prior to being in violation;
2. Retrieve their own carts, or provide an effective containment system. This option allowss for (5) five carts per year to be retrieved from the community prior to being in violation; or,
3. Contract with the City for cart retrieval at a cost of \$ 3.00 per cart without limitation on the maximum number of carts retrieved.

Any store in found in violation of Ordinance No. 03-6 is subject to the civil fine process.

A 120 day waiting period for the ordinance to be implemented, was provided for staff to contact and prepare contracts with stores wishing to participate.

Commencing September 2, 2003, the City's contract cart retrieval service,, Hernandez City Services, Inc., commenced daily patrols and retrieval of abandoned shopping carts. The contract cost to the City is \$4,000.00 per month and provides for retrieval services 8 hours per day, 7 days a week, with one truck assigned to Costa Mesa. The term of

the current contract expires on June 30, 2004, with cancellation provisions should the City pursue early termination.

As directed by Council, the following is a six-month status report on the Shopping Cart Retrieval Program: (*Note: the cart retrieval program is current through March 31, 2004, which in effect is 7 months of retrieval operation)

Program Status

7 months of cart retrieval:	4,150 carts recovered
Total number of stores with shopping carts.	39 Stores being monitored
Total number signed on to City program:	32
Total number with independent retrieval services:	5
Total number of non-participating stores:	2

Cost to date

Hernandez Cart Service 7 months @ \$ 4,000.00:	\$28,000.00
Estimated management costs for City personnel:	<u>\$ 2,513.78*</u> (*regular budgeted salaries)

For carts retrieved from November 15, 2003 through March 31, 2004, stores have been invoiced **\$6,261.00**. To date, no store has reached the threshold of a citation or fine.

All appropriate City departments were provided a toll free telephone number to call for cart retrieval. The number was also posted on the City's web site and advertised in the local newspaper. Additionally, a supermarket strike was in progress during most of the seven-month period, which contributed to an extraordinary number of abandoned carts in the earlier months.

The cart retrieval program has successfully removed abandoned shopping carts from the community. Also, the number of citizen complaints has virtually been eliminated, and to the contrary, the City is now receiving numerous citizen compliments regarding the improvement in our community's appearance.

The program, however, is not a full cost recovery program. The City's retrieval company must recover approximately 1,335 carts per month to break even, which is not happening. In fact, there are now fewer than 500 abandoned carts retrieved per month compared to last fall, which peaked at 881 carts in September.

ALTERNATIVES CONSIDERED:

For many years the City has grappled with the serious problem of abandoned shopping carts. Due to State law pre-empting our options in cart retrieval, our new Ordinance No. 03-6 has become a model for local government regaining control over this serious problem.

Alternatives, to the current program are basically:

1. Rescind Ordinance No. 03-6, now that the number of abandoned carts is below 500 per month, and request businesses be more responsible in retrieving their own carts. This alternative could be somewhat effective if the top five sources of abandoned carts could control their own problem. We have seen several businesses, such as Target Greatland, step up and contract for its own service. Subsequently, the number of abandoned Target shopping carts retrieved by the City's contractor, has been dramatically reduced.
2. Decrease the number of cart retrieval patrol days from seven to three days per week. Specifically, patrol and retrieving carts on Mondays, Wednesdays, and Fridays, would still ensure carts are removed from City streets within 24-48 hours. This alternative would reduce our current service level from a maximum of 24 hours to remove all carts. By reducing the number of patrol days, the City could renegotiate our current contract and anticipate a reduction in cost.
3. Continue with the program at its current service level of 24 hour maximum retrieval time.

FISCAL REVIEW:


Should City Council select "alternative no. 2", and staff can successfully negotiate a fifty percent reduction in the contract cost, our annual contract expense would drop from \$48,000 to \$24,000. However, the current \$48,000 contract is considerably less expensive than performing the same seven day patrol with City employees.

LEGAL REVIEW:

To date, the City Attorney's office has not reported any legal challenges or threats of challenge to the shopping cart program or Ordinance No. 03-6.

CONCLUSION:

The City's current shopping cart retrieval program is very successful in rapidly removing abandoned carts from the community, is cost effective as a contract service versus providing the same service by City personnel, however, is not a full cost recovery program due to the decreasing number of retrieved shopping carts. As such, reducing the number of retrieval patrol days could reduce the program's cost if the community can accept a 24-48 hour delay in cart retrieval, versus the current 24 hours or less.



JAMES GOLFOS
Chief of Code Enforcement



DONALD D. LAMM
Dep. City Mgr.-Dev. Services Director

DISTRIBUTION: City Manager
City Attorney
City Clerk (2)
Staff (4)
File (2)

ATTACHMENTS: 1. Six Month Statistics
2. Photo of Hernandez's Truck

File Name: 050304CARTRETRIEVAL

Date: 5/6/04

Time: 9:30 a.m.

SHOPPING CART RETRIEVAL COUNT-RECAP

	YEAR	CARTS MONTH	
SEPTEMBER	2003	881	
OCTOBER	2003	826	
*NOVEMBER	2003	614	MID NOVEMBER ORDINANCE IN AFFECT
DECEMBER	2003	511	
JANUARY	2004	409	
FEBRUARY	2004	437	
MARCH	2004	472	
TOTAL 6 MO. PERIOD:		4,150	RECOVERED

WE ARE TRACKING	32 MEMBER STORES
	5 WAIVER STORES
	2 NON-MEMBERS

TO DATE NO STORE HAS REACHED THRESHOLD FOR CITATION

TO DATE ADMINISTRATIVE COSTS: 2,419.61

CONTRACT COST 4,000.00 MONTHLY

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE SEPTEMBER 2003

ALBERTSONS	144
BEST BUYS	0
EL METATE	65
99 CENT STORE	199
GANAHL	0
GROWERS DIRECT	1
HOME DEPOT	28
K-MART	4
LINENS N THINGS	0
LONG'S DRUGS	7
MAINLY SECONDS	0
MARSHALLS	2
MICHAEL'S	1
MOTHER'S MARKET	1
MY DOLLAR STORE	0
OFFICE DEPOT	9
PEP BOYS	1
PETCO	3
RALPHS	7
RITE AID # 5734-6213-5733	20
FUTURE	0
FUTURE	0
ROSS	0
SALLY'S BEAUTY SUPPLY	0
SAV-ON DRUG	30
SMART & FINAL	29
STAPLES	3
STATER BROS # 25-35	194
FUTURE	0
TARGET	4
T J MAXX	41
TRADER JOES	1
VISTA DRUGS	0
VONS # 1736-2149	42
FUTURE	0
UNIDENTIFIED CARTS	25
HENRY'S	12
VALUE PLUS	1
MARUKAI	5
PETSMART	2

TOTAL CART RETRIEVAL SEPTEMBER 2003: 881

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE OCTOBER 2003

ALBERTSONS	105
BEST BUYS	1
EL METATE	61
99 CENT STORE	217
GANAHL	0
GROWERS DIRECT	1
HOME DEPOT	13
K-MART	30
LINENS N THINGS	0
LONG'S DRUGS	0
MAINLY SECONDS	0
MARSHALLS	0
MICHAEL'S	5
MOTHER'S MARKET	0
MY DOLLAR STORE	1
OFFICE DEPOT	2
PEP BOYS	0
PETCO	1
RALPHS	4
RITE AID # 5734-6213-5733	21
FUTURE	0
FUTURE	0
ROSS	1
SALLY'S BEAUTY SUPPLY	1
SAV-ON DRUG	23
SMART & FINAL	41
STAPLES	4
STATER BROS # 25-35	157
FUTURE	0
TARGET	8
T J MAXX	16
TRADER JOES	4
VISTA DRUGS	0
VONS # 1736-2149	80
MISC	13
UNIDENTIFIED CARTS	2
HENRY'S	13
VALUE PLUS	0
MARIKAI	1
PETSMART	0

TOTAL CART RETRIEVAL OCTOBER 2003: 826

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE NOVEMBER 2003

████████ CITY PROGRAM	ALBERTSONS	103
	BEST BUY	0
WAIVER PRIVATE PICK UP	EL METATE	78
		19
████████ NON - PARTICIPANT	GANAHL	0
	GROWERS DIRECT	1
	HOME DEPOT	17
		0
	LINENS N THINGS	0
	LONG'S DRUGS	9
	MAINLY SECONDS	0
	MARSHALLS	0
	MICHAEL'S	3
	MOTHER'S MARKET	2
	MY DOLLAR STORE	0
	OFFICE DEPOT	1
	PEP BOYS	0
	PETCO	1
	RALPHS	7
	RITE AID # 5734-6213-5733	18
	IKEA	0
	JO ANN'S	6
	ROSS	3
	SALLY'S BEAUTY SUPPLY	0
	SAV-ON DRUG	14
	SMART & FINAL	24
		1
	STATER BROS # 25-35	148
	CROWN ACE HARDWARE	0
		0
	T J MAXX	40
	TRADER JOES	1
	FUTURE	0
	VONS # 1736-2149	97
	MISC	8
	UNIDENTIFIED CARTS	4
	HENRY'S	8
	FUTURE	0
	MARIKAJ	1
	PETSMART	0
		<hr/>
	TOTAL CART RETRIEVAL NOVEMBER 2003:	614

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE DECEMBER 2003

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	134
	BEST BUY	2	0
████████ WAIVER PRIVATE PICK UP	EL METATE	3	51
	99 CENT STORE	4	4
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	1
	HOME DEPOT	7	10
	K-MART	8	8
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	4
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	2
	MOTHER'S MARKET	14	0
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	3
	PEP BOYS	17	0
	PETCO	18	0
	RALPHS	19	2
	RITE AID # 5734-6213-5733	20	20
	IKEA	21	0
	JO ANN'S	22	3
	ROSS	23	0
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	13
	SMART & FINAL	26	10
	STAPLES	27	0
	STATER BROS # 25-35	28	144
	CROWN ACE HARDWARE	29	2
	TARGET	30	3
	T J MAXX	31	28
	TRADER JOES	32	2
	TUESDAY MORNING	33	1
	VONS # 1736-2149	34	56
	MISC	35	2
	UNIDENTIFIED CARTS	36	0
	HENRY'S	37	8
	FUTURE	38	0
	MARUKAI	39	0
	PETSMART	40	0

TOTAL CART RETRIEVAL DECEMBER 2003: 511

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE JANUARY 2004

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	70
	BEST BUY	2	0
████████ WAIVER PRIVATE PICK UP	EL METATE	3	61
	99 CENT STORE	4	0
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	3
	HOME DEPOT	7	6
	K-MART	8	0
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	4
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	2
	MOTHER'S MARKET	14	0
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	7
	PEP BOYS	17	0
	PETCO	18	0
	RALPHS	19	1
	RITE AID # 5734-6213-5733	20	15
	IKEA	21	0
	JO ANN'S	22	3
	ROSS	23	2
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	4
	SMART & FINAL	26	6
	STAPLES	27	2
	STATER BROS # 25-35	28	132
	CROWN ACE HARDWARE	29	0
	TARGET	30	0
	T J MAXX	31	21
	TRADER JOES	32	4
	TUESDAY MORNING	33	3
	VONS # 1736	34	51
	VONS # 2149	35	7
	UNIDENTIFIED CARTS	36	0
	HENRY'S	37	5
	FUTURE	38	0
	MARUKAI	39	0
	PETSMART	40	0
TOTAL CART RETRIEVAL JANUARY 2004:			409

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE FEBRUARY 2004

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	60
	BEST BUY	2	1
████████ WAIVER PRIVATE PICK UP	EL METATE	3	94
	99 CENT STORE	4	0
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	7
	HOME DEPOT	7	6
	K-MART	8	0
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	5
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	3
	MOTHER'S MARKET	14	1
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	4
	PEP BOYS	17	0
	PETCO	18	2
	RALPHS	19	7
	RITE AID # 5734-6213-5733	20	38
	IKEA	21	0
	JO ANN'S	22	2
	ROSS	23	2
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	11
	SMART & FINAL	26	4
	STAPLES	27	2
	STATER BROS # 25	28	26
	STATER BROS # 35	29	34
	CROWN ACE HARDWARE	30	0
	TARGET	31	0
	T J MAXX	32	20
	TRADER JOES	33	6
	TUESDAY MORNING	34	6
	VONS # 1736	35	49
	VONS # 2149	36	22
	UNIDENTIFIED CARTS	37	9
	HENRY'S	38	14
	MARUKAI	39	0
	PETSMART	40	2
TOTAL CART RETRIEVAL FEBRUARY 2004:			437

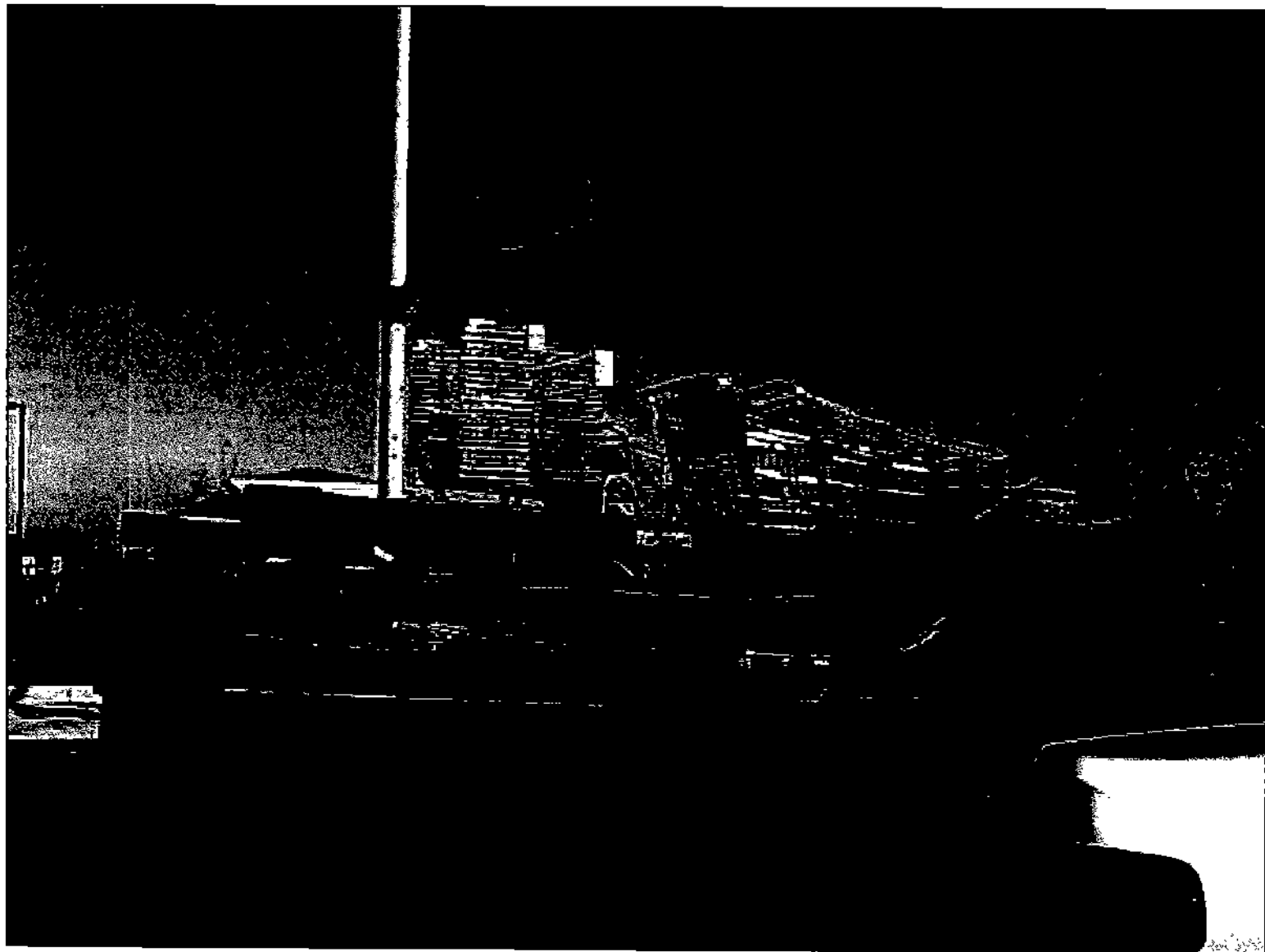
WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE MARCH 2004

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	79
	BEST BUY	2	0
████████ WAIVER PRIVATE PICK UP	EL METATE	3	69
	99 CENT STORE	4	0
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	8
	HOME DEPOT	7	5
	K-MART	8	0
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	3
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	3
	MOTHER'S MARKET	14	2
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	2
	PEP BOYS	17	0
	PETCO	18	0
	RALPHS	19	3
	RITE AID # 5734-6213-5733	20	27
	IKEA	21	0
	JO ANN'S	22	1
	ROSS	23	0
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	11
	SMART & FINAL	26	5
	STAPLES	27	0
	STATER BROS # 25	28	37
	STATER BROS # 35	29	98
	CROWN ACE HARDWARE	30	0
	TARGET	31	0
	T J MAXX	32	20
	TRADER JOES	33	2
	TUESDAY MORNING	34	2
	VONS # 1736	35	70
	VONS # 2149	36	3
	UNIDENTIFIED CARTS	37	10
	HENRY'S	38	11
	MARUKAI	39	1
	PETSMART	40	0
TOTAL CART RETRIEVAL MARCH 2004:			472

12-31-03

BH/TS




12-31-03

BH/TS



City of Costa Mesa

Inter Office Memorandum

To: DON LAMM
From: JIM GOLFOS 
Date: 04-06-04
Subject: SHOPPING CART TRACKING

Don:

Attached is the "Cart Count" 03-01-04 thru 03-31-04. Total to date 472 for March 2004.

To date, no store has reached the threshold for punitive action, i.e.: fines,

Additionally I have included a running administrative cost to date and stores signed on to date.

Jim

c. Rick Brown, Linda Nguyen

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE MARCH 2004

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	79
	BEST BUY	2	0
████████ WAIVER PRIVATE PICK UP	EL METATE	3	69
	99 CENT STORE	4	0
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	8
	HOME DEPOT	7	5
	K-MART	8	0
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	3
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	3
	MOTHER'S MARKET	14	2
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	2
	PEP BOYS	17	0
	PETCO	18	0
	RALPHS	19	3
	RITE AID # 5734-6213-5733	20	27
	IKEA	21	0
	JO ANN'S	22	1
	ROSS	23	0
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	11
	SMART & FINAL	26	5
	STAPLES	27	0
	STATER BROS # 25	28	37
	STATER BROS # 35	29	98
	CROWN ACE HARDWARE	30	0
	TARGET	31	0
	T J MAXX	32	20
	TRADER JOES	33	2
	TUESDAY MORNING	34	2
	VONS # 1736	35	70
	VONS # 2149	36	3
	UNIDENTIFIED CARTS	37	10
	HENRY'S	38	11
	MARUKAI	39	1
	PETSMART	40	0
TOTAL CART RETRIEVAL MARCH 2004:			472


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City of Costa Mesa

Inter Office Memorandum

To: DON LAMM
From: JIM GOLFOS 
Date: 04-14-04
Subject: SHOPPING CART TRACKING

Don:

Attached is the "Cart Count" 04-01-04 thru 04-07-04. Total to date 109 for March 2004.

To date, no store has reached the threshold for punitive action, i.e.: fines,

Additionally I have included a running administrative cost to date and stores signed on to date.

Jim

c. Rick Brown, Linda Nguyen

WEEKLY CART RETRIEVAL COUNT

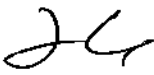
MONTHLY RECAP MONTH TO DATE APRIL 2004

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	23
	BEST BUY	2	0
████████ WAIVER PRIVATE PICK UP	EL METATE	3	15
	99 CENT STORE	4	0
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	2
	HOME DEPOT	7	2
	K-MART	8	0
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	0
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	0
	MOTHER'S MARKET	14	0
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	0
	PEP BOYS	17	0
	PETCO	18	0
	RALPHS	19	0
	RITE AID # 5734-6213-5733	20	5
	IKEA	21	0
	JO ANN'S	22	0
	ROSS	23	0
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	3
	SMART & FINAL	26	0
	STAPLES	27	0
	STATER BROS # 25	28	5
	STATER BROS # 35	29	30
	CROWN ACE HARDWARE	30	0
	TARGET	31	0
	T J MAXX	32	10
	TRADER JOES	33	0
	TUESDAY MORNING	34	0
	VONS # 1736	35	12
	VONS # 2149	36	0
	UNIDENTIFIED CARTS	37	0
	HENRY'S	38	2
	MARUKAI	39	0
	PETSMART	40	0
TOTAL CART RETRIEVAL APRIL 2004:			109

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City of Costa Mesa

Inter Office Memorandum

To: DON LAMM
From: JIM GOLFOS 
Date: 04-20-04
Subject: SHOPPING CART TRACKING

Don:

Attached is the "Cart Count" 04-01-04 thru 04-14-04. Total to date 202 for April 2004.

To date, no store has reached the threshold for punitive action, i.e.: fines,

Additionally I have included a running administrative cost to date and stores signed on to date.

Jim

c. Rick Brown, Linda Nguyen

WEEKLY CART RETRIEVAL COUNT

MONTHLY RECAP MONTH TO DATE APRIL 2004

		PAGE	
████████ CITY PROGRAM	ALBERTSONS	1	46
	BEST BUY	2	0
████████ WAIVER PRIVATE PICK UP	EL METATE	3	32
	99 CENT STORE	4	0
████████ NON - PARTICIPANT	GANAHL	5	0
	GROWERS DIRECT	6	3
	HOME DEPOT	7	3
	K-MART	8	0
	LINENS N THINGS	9	0
	LONG'S DRUGS	10	0
	MAINLY SECONDS	11	0
	MARSHALLS	12	0
	MICHAEL'S	13	0
	MOTHER'S MARKET	14	0
	MY DOLLAR STORE	15	0
	OFFICE DEPOT	16	1
	PEP BOYS	17	0
	PETCO	18	0
	RALPHS	19	2
	RITE AID # 5734-6213-5733	20	5
	IKEA	21	0
	JO ANN'S	22	0
	ROSS	23	0
	SALLY'S BEAUTY SUPPLY	24	0
	SAV-ON DRUG 9508 & 9404	25	3
	SMART & FINAL	26	0
	STAPLES	27	2
	STATER BROS # 25	28	9
	STATER BROS # 35	29	50
	CROWN ACE HARDWARE	30	0
	TARGET	31	0
	T J MAXX	32	10
	TRADER JOES	33	0
	TUESDAY MORNING	34	0
	VONS # 1736	35	26
	VONS # 2149	36	6
	UNIDENTIFIED CARTS	37	1
	HENRY'S	38	2
	MARUKAI	39	1
	PETSMART	40	0
TOTAL CART RETRIEVAL APRIL 2004:			202

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